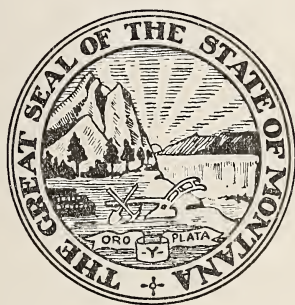


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THIRD
ANNUAL REPORT
of the
Unemployment
Compensation Commission
of Montana



For the Calendar Year
1939

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Unemployment Compensation Commission of Montana

GEORGE R. SHEPARD
Commissioner

LOUIS G. DeNAYER
Commissioner

BARCLAY CRAIGHEAD
Chairman

Helena, Montana,
January 31, 1940.

Honorable Roy E. Ayers,
State Capitol,
Helena, Montana.

Dear Governor Ayers:

We have the honor of submitting the third annual report of the Unemployment Compensation Commission of Montana covering the activities of this department of the State government for the calendar year 1939.

The cycle of unemployment compensation was completed in Montana in 1939 with the payment of benefits to eligible unemployed workers.

Until July 1, 1939, the Employment Service Division had been functioning in placing unemployed workers and the Unemployment Compensation Division in collecting employer contributions.

Upon that date, on the two divisions fell the added burden of taking claims of unemployed workers for benefits and of paying the claimants their proper benefit amounts.

Respectfully yours,

BARCLAY CRAIGHEAD, Chairman,
GEORGE R. SHEPARD, Commissioner,
LOUIS G. DeNAYER, Commissioner.

FOREWORD

Benefits for unemployment became payable from the Montana Unemployment Compensation trust fund in July, 1939.

Between July, 1939, and March 1, 1940, over 144,500 benefit checks amounting to over \$1,612,000.00 had been sent by the Unemployment Compensation Commission to over 17,000 unemployed workers who were eligible for job insurance benefits.

In January, 1940, almost 30,000 benefit checks for more than \$330,000.00 were sent eligible unemployed workers. In February, 1940, some 15,000 unemployed workers received 46,371 benefit checks for a total of more than \$514,000.00.

Approximately \$1,250,000.00 collected by the Commission from railroads is earmarked for the payment of benefits to unemployed railroad workers. This amount will be transferred to the Railroad Retirement Board.

In February, 1940, over \$120,000.00 weekly was being sent to eligible unemployed workers, and this money was being spent in the workers' communities on the necessities of life: food, shelter and clothing.

Helps Jobless Workers

Unemployment compensation like other forms of social insurance, involves small periodic tax payments, made in Montana only by employers, on behalf of a large number of persons, many of whom will not experience the hardship of losing their jobs. The insurance will provide financial resources for those workers who lose their jobs through no fault of their own.

The first eight months experience in the application of the job insurance program to unemployment in Montana has proved the value of unemployment compensation to individual workers and to the communities in which they live. By March 1, 1940, 24,358 workers had established rights to receive weekly compensation payments as provided by law of sixteen times their weekly benefit amount, if they remain totally unemployed and meet other requirements of the law. The law requires a two-week waiting period after an individual loses his job before compensation starts.

Prefer Jobs to Benefits

About one-third of the eligible claimants failed to complete their first compensable week and about one-fourth of the claimants, after receiving one or more checks, had dropped out by the end of the year. It is assumed that approximately one-half of the original claimants had returned to work for

at least part of the time during the period. This is proof that workers prefer jobs to benefits.

In the first six months of benefit payments, 68,340 benefit checks were issued with a total value of \$765,210.00 and 9,513 unemployed workers had received one or more checks by the end of 1939.

It is estimated that there are about 127,000 workers who have earned at least some wage credits in employment subject to the Montana law. Of these, about 26,000 work in protected employment only part of the year.

The proper administration of the act is of deep concern to employers who contribute to the fund, to workers who are eligible to receive benefits if they become unemployed, and to the public because of its interest in maintaining the purchasing power of the various communities.

The Commission welcomes constructive criticism concerning administration of the act from the public.

COMPENSATION FUND AS OF FEBRUARY 29, 1940

1936 Contributions	\$ 650,697.20
1937 Contributions	2,162,042.40
1938 Contributions	2,692,417.66
1939 Contributions	2,614,980.13
<hr/>	
Total Contributions.....	\$8,120,137.39
Interest earned on U. C. C. Fund.....	\$ 226,156.29
Interest earned on delinquent employer accounts	1,741.05
<hr/>	
Total receipts to Feb. 29, 1940.....	\$8,348,034.73
Less benefits paid to Feb. 29, 1940.....	1,611,500.12
Balance available as of Feb. 29, 1940.....	\$6,736,534.61
To be transferred to Railroad Retirement Board	\$1,250,000.00
<hr/>	
Net Balance available for payment of benefits Feb. 29, 1940.....	\$5,486,534.61

TAX COLLECTIONS COMPLICATED

Because the Legislative Assembly will not convene for another year the Commission at this time is making no legislative recommendations. The Commission believes that tax collection activities at present are absurdly complicated and that taxpayers have full cause for protest. The Commission feels that a single tax collection agency, either Federal or State, to collect Title VIII (old age insurance) and unemployment compensation taxes would prevent much duplication of work and annoyance to employers.

State unemployment compensation agencies, as administered at present, seemingly have few of the benefits of straight Fed-

eral operation and all of its disadvantages. The State Commissions have the responsibility without the authority and as a result administrative costs are higher than if the Commission operated as either a straight State or Federal agency. There is more "red tape" than there should be.

BENEFIT PAYMENTS HIGH IN WINTER MONTHS

Contributions from employers in covered industries in Montana, exclusive of contributions collected from railroads, from July 1, 1939, to February 29, 1940, were approximately \$1,923,293.00. The ratio of benefit payments \$1,611,530.00 to contributions during this period was 83.8 per cent.

The increase in benefit claims in January and February, 1940, with more than \$844,000.00 being sent claimants in these two months indicates that benefits during the year ending June 30, 1940, will equal or may even exceed contributions.

Although the solvency of the fund is assured, it is believed that any further liberalization of the law should await further experience in benefit payments.

Due to the foresight of the legislature, an ample reserve fund was accumulated before benefit payments started. This made it possible for Montana to have a law more liberal than any other state.

CHANGES IN UNEMPLOYMENT COMPENSATION LAW

The 1939 Montana Legislature made several constructive changes in the State Unemployment Compensation law. The changes all meant larger benefit payments to unemployed workers. We believe these changes make the Montana law the most liberal in the nation.

Railroad workers are no longer included under the operation of the Montana law and the transfer of contributions collected from the railroads from the Montana Unemployment Compensation Trust Fund to the Railroad Retirement Board was authorized.

With respect to individual workers the principal changes in the law were as follows:

The computation of a worker's weekly benefit amount was simplified to mean 4 per cent of the highest quarter earnings in his base period, raised to the next highest even dollar, with a minimum of \$5.00 a week and a maximum of \$15.00 a week.

The duration of benefit payments was changed to a full 16 weeks, should the worker continue to be unemployed.

The waiting period required before benefits start was changed from "three" to "two" weeks.

The Commission by regulation, which was upheld by the district court, clarified an inequality in the law which resulted in over \$90,000.00 being paid unemployed workers in the last six months of 1939, which would not have been paid

them had not the regulation been passed. Without the regulation about 12 per cent of the 14,098 workers who established benefit rights would have been disqualified. The change will mean additional benefits of more than \$200,000.00 to unemployed workers during 1940.

The regulation provided that a worker could draw benefits for which he could qualify, but the worker's base period earnings must have been at least \$150.00.

The "base period" was changed to mean the first four of the last five completed calendar quarters instead of the first eight out of the last nine.

Re-define Benefit Year

"Benefit year" was re-defined to mean the 52-week period immediately following the filing of a valid benefit claim.

"Total unemployment" was amended so that earnings of \$5.00 or less in odd jobs or in subsidiary work by the worker would not be considered as "employment" which would disqualify the worker for benefits.

The amended law directed that the Commission should conduct a study of the operation of the law for the purpose of reporting by January 1, 1945, as to the feasibility of a merit rating of employers.

The law was amended to allow the employers "three years" in place of "one year" in which to request a refund of contributions.

The 20-week of employment clause defining an employer was amended with an additional factor: "whose total annual payroll within either the current or the preceding calendar year exceeds the sum of \$500.00." The clause relieved about 1,500 of Montana's smaller employers who give occasional employment through the year of the necessity of filing reports with the Commission.

SOCIAL SECURITY ACT AMENDED

Congress amended the Social Security Act under an Act approved August 10, 1939.

Changes made in the Federal Law does not in any way change the force of the State Law, except insofar as the State law may be brought into uniformity by interpretation or through Commission rule and regulation. Until such time as the Montana Legislature amends the law to secure uniformity employers of eight or more under the Federal law will be charged with a tax of 3 per cent on "wages" paid to employees, omitting all wages of over \$3,000.00 paid any employee. Employers are required to pay contributions to the Commission on all wages payable to employees in Montana regardless of amount.

ECONOMICAL ADMINISTRATION

The Commission, in compliance with instructions of Governor Roy E. Ayers, insofar as feasible has operated the Unemployment Compensation Division and the Employment Service Division as one unit in the interest of economy. Sections now serving both divisions are the Legal, Fiscal, Research and Statistics, Service and Public Relations Sections.

This has resulted in efficient and economical administration of the law. The Commission believes it has a reasonable record of economy and comparisons with other states show that Montana's administrative costs are low.

Not one penny of administrative costs of unemployment compensation comes from money paid by employers to the Commission in the form of a payroll tax. This money is held in a trust fund in the United States Treasury and may be used only for benefit payments.

Congress by appropriation makes funds available for administration of State Unemployment Compensation and these funds are granted to the various states by the Social Security Board.

FEW EMPLOYER DELINQUENCIES

Only 313 accounts of the 11,343 coded accounts and 10,000 active accounts have reached such a delinquency status as to be necessary for the Commission to refer them to the legal section for action. These 313 include bankruptcies, estates, liquidations, subpoenas for records and accounts for collection.

The amount of such delinquencies for 1937, 1938 and 1939 is estimated at only about \$36,000.00. When it is considered that as of January 1, 1940, the Commission had collected \$7,622,750.96 it is a tribute to the employers of Montana for their cooperation.

SOCIAL SECURITY BOARD GRANTS FUNDS

All funds for the operation of the Unemployment Compensation Division are granted by the Social Security Board.

Existing statutes are a contract between the Social Security Board and the State of Montana.

One of the requirements before approval of the existing law by the Social Security Board was that each state accept the provisions of the Wagner-Peyser Act (creating a State Employment Service Division) and appropriate a sum sufficient to match federal funds allotted under this measure. This amount for Montana is \$13,021.26 each year, which has been appropriated by the last two Legislative Assemblies.

Federal funds for administration during 1939 were made available at quarterly intervals. This method of allotting funds necessitates the submission of separate line budgets to the Social Security Board 60 days in advance of each calendar

quarter. Federal funds expended are subject to exhaustive audits.

MEMBERS OF COMMISSION

The Montana Unemployment Compensation law was approved by the Social Security Board on March 31, 1937. Governor Roy E. Ayers on March 16, 1937 had approved the law designated to mitigate suffering from unemployment in this state. The act was passed by the Twenty-fifth Legislative Assembly.

The 1939 Legislative Assembly amended the law and the amendments were approved by Governor Roy E. Ayers on March 15, 1939.

The Unemployment Compensation Commission administering the law is composed of the same members first appointed by Governor Ayers. Barclay Craighead of Missoula, is chairman and executive officer. George R. Shepard of Missoula and Louis G. DeNayer of Billings are the other commissioners.

Legal Section

The Legal Section represents the Commission in cases arising under the Unemployment Compensation law; assists the attorney general in the prosecution of criminal actions for violation of the law; advises the Commission on interpretations of the law; prepares drafts of rules and regulations; confers with officials of the Employment Service offices on legal questions; keeps records on all decisions and opinions of the law, and collects delinquent accounts. The Legal section cooperates with and is at the service of Montana employers.

Field Section

Field auditors of the Commission in 1939 made 16,204 calls on employers and 3,376 collections of contributions.

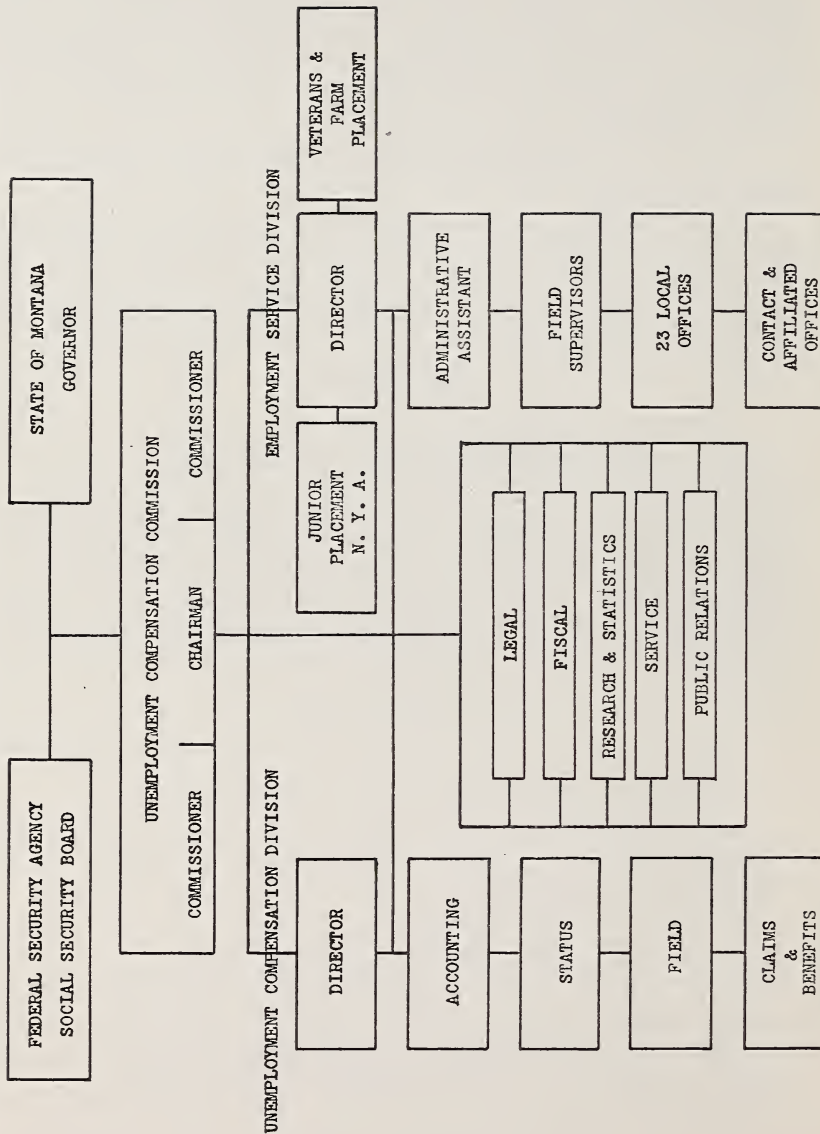
It is the policy of the Commission to have each Montana employer visited by a field auditor at least once a year. The purpose of this is primarily service to the employer. It gives employers an opportunity to ask questions they may be in doubt about concerning the law.

After July, 1939, in addition to employer calls, auditing accounts and collections of delinquent accounts, field auditors were required to act as "aides" of the Claims and Benefit Section when information was needed to properly determine a benefit claim. The auditors also explained to employers the service offered by the Employment Service division of the Commission.

Service Section

The Service Section stocks and distributes essential forms and supplies at the request of the various departments and

UNEMPLOYMENT' COMPENSATION COMMISSION ORGANIZATION CHART



field personnel. These supplies are kept on inventory and are requisitioned as needed.

The Service Section is the postoffice for the administrative office. It is here that temporary forms and current form letters and the monthly review are mimeographed.

Status Section

The Status Section determines employer liability and assigns account numbers in code indicating the industry and location of each business. This unit also keeps current file records of employers who may become subject and of those who are exempt from contribution under the law.

Available information on employer status is supplied to personnel of other departments and units of the Commission upon request.

Public Relations Section

The Public Relations Section answers employer and employee questions concerning the law; prepares news and radio releases; assists in the preparation of speeches and in personnel training programs.

During 1939 the section prepared pamphlets, leaflets and placards advising employers and workers concerning the payment of benefits under the Montana law.

The section each month mimeographs a "Review," a copy of which is given each employee of the Commission. The "Review" supplements training programs. The section prepares the annual report and assists in the preparation of and editing of rules, regulations and interpretations.

Fiscal Section

The fiscal section prepares the budget; controls local office purchases and expenditures and audits expenditures chargeable to the Employment Service division.

Accounting Section

The Accounting Section records and gives receipts for all employer contributions; keeps a record of uncollectible items; verifies reports; verifies individual wage reports against contribution reports and issues demands for payment of contributions.

Research and Statistics Section

The Research and Statistics Section compiles the daily and monthly reports of activities of the Local and State offices covering registration of applicants for work; local and multi-state benefit claims; placements; the number and amount of benefit payments; the number of covered workers and the wages paid covered workers.

Reports are submitted monthly to the Social Security Board to be included in the national totals.

From the standpoint of administration statistics are essential to adjust the number of personnel to the load of work which fluctuates according to the number of unemployed persons. Study of current statistics are necessary to estimate future expenditures.

To date, research has been devoted largely to the study of fluctuation in employment by industries.

The section uses the IBM punch card system in analyzing employer contribution reports and benefit payments.

Personnel Training Program

The Commission in 1939 maintained an effective personnel training program by the issuance of manuals of instruction, special bulletins and circulars and staff conferences. These were supplemented by the close supervision of the activities of the local and state offices. A training program was held at Helena from May 11 to 13. In attendance were the administrative staff, managers of the Employment Service division, field auditors, and representatives of the Social Security Board. Particular attention was given to instructing the staff in regard to unemployment compensation procedures in local offices.

In addition to the State Conference at Helena, a series of conferences in the field were held during May at Glendive, Billings, Great Falls, Glasgow, Butte and Kalispell. Group and individual instruction were given to the staffs of the local offices on their new duties in regard to payment of benefits.

In August, Montana was host to the Inter-State Conference of Unemployment Compensation agencies of Region XI at Karst Camp. Papers were presented by federal officials and by state administrators from Wyoming, Colorado, Idaho, Montana and Utah.

A series of local office conferences were held in Butte, Bozeman, Livingston, Billings, Miles City, Glendive, Glasgow, Havre, Shelby, Great Falls, Missoula and Kalispell in November.

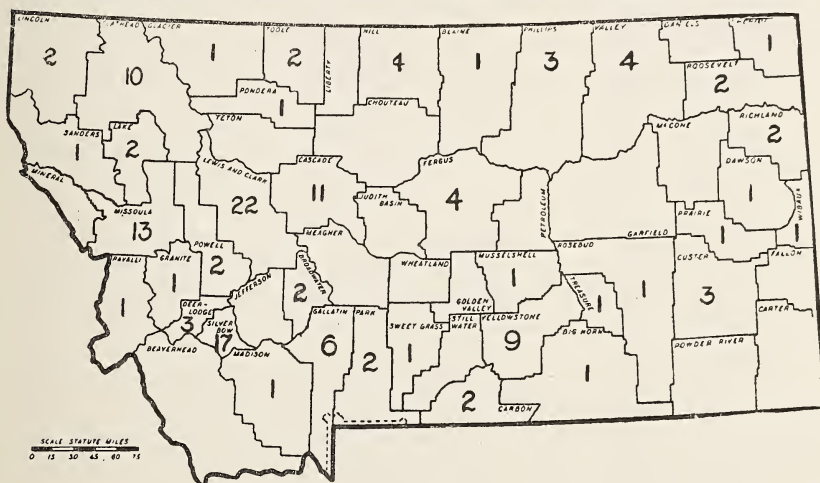
PERSONNEL

The Unemployment Compensation Commission at the end of its first year of operation had 39 employees on its payroll. This was the small organizational force which started the ball of unemployment insurance rolling in Montana.

In 1938 the personnel had grown to a total of 139 employees. This force completed the job of advising all Montana employers of the law; of assisting them in making out contribution reports and of making collections of contributions. It also included Employment Service division personnel. Employers cooperated on the whole in a splendid way. This co-operation of employers enabled the Commission in July, 1939 to assume the job of paying benefits, a task which involved the

handling of thousands of benefit claims and of paying out thousands of dollars without an increase in the force. The December, 1939, payroll of the Commission was made up of a permanent force of 143 regular employees, but four of these are Youth Counselors, paid by the National Youth Administration and two employees devote their time to Veteran Placement work.

LEGAL RESIDENCES OF COMMISSION'S EMPLOYEES



Thirty-eight of Montana's 56 counties have one or more county residents on the Unemployment Compensation payroll. The map above shows the legal residences of the Commission's employees. The counties of which the employees are legal residents are:

Blaine	1	Musselshell	1
Big Horn	1	Park	2
Broadwater	2	Phillips	3
Carbon	2	Pondera	1
Cascade	11	Powell	2
Custer	3	Prairie	1
Dawson	1	Ravalli	1
Deer Lodge	3	Richland	2
Fergus	4	Roosevelt	2
Flathead	10	Rosebud	1
Gallatin	6	Sanders	1
Glacier	1	Sheridan	1
Granite	1	Silver Bow	17
Hill	4	Sweet Grass	1
Lake	2	Treasure	1
Lewis & Clark	22	Toole	2
Lincoln	2	Valley	4
Madison	1	Wibaux	1
Missoula	13	Yellowstone	9

MERIT SYSTEM STANDARDS ADOPTED

The Unemployment Compensation Commission has adopted additional standards for a merit system for personnel administration. The draft of rules, regulations and classification plan has been submitted to the Social Security Board. The Board now is reviewing the merit system standards adopted by the Commission.

Once the Board approves the standards for personnel, examinations open to all state citizens will be announced and held at a later date. The examinations will furnish the Commission with a register of eligible persons for positions.

The majority of employees of the Commission are under the system. Employees of the Employment Service division were selected in two merit examinations, one held in 1937 and one in 1939. In keeping the provisions of the state law, the Commission in 1937, classified all positions in the Unemployment Compensation division and many of the employees of the division, who now have been in service more than two years, successfully passed examinations conducted by the Reverend J. J. O'Connor, head of the department of Social Science at Carroll College.

All employees of the Commission, who have not qualified as a result of passing merit examinations must take the examinations when they are next given, but will only be required to pass in order to be appointed.

The ideals of the "merit system" meet with the approval of the Commission. However, the Commission does not believe that the practical workings of the system—at least so far—may be looked upon and approved in its entirety.

The State law imposes on the Commission the duty of hiring competent personnel and also the duty of holding examinations for personnel.

UNEMPLOYMENT COMPENSATION COMMISSION PERSONNEL UNEMPLOYMENT COMPENSATION DIVISION

(Paid from Federal Funds)

NAME	POSITION	MONTHLY SALARY	LEGAL RESIDENCE
Angvick, Cora	Jr. Stenographer	\$100.00	Reserve
Black, Leo	Janitor	100.00	Helena
Blewett, Robert	File Clerk	100.00	Butte
Bosley, Bernice	File Clerk	100.00	Great Falls
Binko, Wesley	Field Auditor	150.00	Greenough
Botch, Edmund S.	Claims Examiner (Supv.)	150.00	Wibaux
Boulter, K. C.	Field Auditor	160.00	Butte
Bourck, Oscar E.	Field Auditor	160.00	Butte
Bristol, Betty	Bookkeeping Mach. Opr.	110.00	Lewistown
Bullock, Clifford	Accountant (Cashier)	160.00	Bozeman
Burns, Margaret F.	Sr. Accounting Clerk	140.00	Wolf Creek
Campbell, Jean	Int. Stenographer	120.00	Shelby
Casey, Joseph T.	Sr. Accounting Clerk	150.00	Great Falls
Covington, Marian	Statistical Clerk	120.00	Helena

NAME	POSITION	MONTHLY SALARY	LEGAL RESIDENCE
Craighead, Barclay	Chairman	433.33	Missoula
Decco, Leonard A.	Field Auditor	150.00	Three Forks
Dahood, Frances	Jr. Stenographer	100.00	Anaconda
Dorrington, Litchfield	File Clerk	100.00	Libby
Dukelow, Wm. R.	Junior Clerk	100.00	Great Falls
Erb, Amy Ann	Sr. Stenographer	140.00	Sheridan
Fabian, Arthur	Addressograph Operator	100.00	Helena
Gits, Elmer	Jr. Accounting Clerk	100.00	Wolf Point
Heffern, M. C.	Field Auditor	160.00	Glasgow
Hoepfner, Marjorie	Typist	100.00	Helmville
Holloman, Elsie	Sr. Clerk	140.00	Missoula
Jacobson, A. C.	Field Auditor	200.00	Missoula
Jones, Ann	Jr. Accounting Clerk	100.00	Dodson
Lofgren, E. E.	Attorney	275.00	Billings
Manning, Grace	Int. Stenographer	120.00	Kalispell
Manning, James P.	Accountant	160.00	Hysham
Marron, Mary	Typist	100.00	Butte
Merritt, Donald	Jr. Clerk	100.00	Helena
Merzlock, Josephine	Int. Accounting Clerk	120.00	Helena
Miller, Louise	Int. Stenographer	120.00	Kalispell
Morse, Marian	Bookkeeping Mach. Opr.	110.00	Poplar
Multz, Albin	Int. Accounting Clerk	120.00	East Helena
Munson, James W.	Claims Examiner (Supv.)	160.00	Helena
Nink, George	Int. Accounting Clerk	120.00	Anaconda
Murphy, Michael A.	Int. Accounting Clerk	120.00	Missoula
O'Donnell, John P.	Director (UC Division)	310.00	Helena
Pohlod, Charles	Chief File Clerk	120.00	Great Falls
Ransavage, Anthony J.	Int. Accounting Clerk	125.00	Helena
Redpath, Gordon	Int. Clerk	120.00	Somers
Riley, Lee	File Clerk	100.00	Butte
Rogers, Leslie	Int. Accounting Clerk	120.00	Helena
Sloan, Esther	Jr. Accounting Clerk	100.00	Bozeman
Stewart, Carroll M.	Chief Accountant	260.00	Missoula
Stewart, Dorothy	Int. Stenographer	120.00	Billings
Stewart, James H.	Chief Field Auditor	200.00	White Sulphur Spgs.
Sullivan, C. T.	Information Rep.	200.00	Butte
Tooley, Leah	Int. Stenographer	120.00	Red Lodge
Vidal, Lawrence E.	Field Auditor	200.00	Kalispell
Vinson, Jean	Jr. Clerk	100.00	Missoula
Wallin, Sam C. F.	Field Auditor	160.00	Whitefish
Walsh, A. D.	Int. Accounting Clerk	125.00	Helena
Wilburn, Elmer D.	Jr. Accounting Clerk	100.00	Missoula

EMPLOYMENT SERVICE DIVISION

Allen, Katherine F.	Junior Stenographer	105.00	Miles City
Bailey, Helen A.	Junior Interviewer	120.00	Great Falls
Andresen, Solvay K.	Junior Interviewer	120.00	Missoula
Bakko, Henry G.	Senior Interviewer	170.00	Havre
Bickle, Winifred R.	Junior Interviewer	120.00	Havre
Biffle, Chauncey P.	Senior Interviewer	170.00	Miles City
Breese, Bernice R.	Junior Interviewer	120.00	Glasgow
Brennan, James P.	Senior Interviewer	150.00	Sidney
Carruth, Ethel M.	Junior Clerk	100.00	Havre
Black, Weaver D.	Senior Interviewer	170.00	Havre
Clarke, Robert A.	Junior Interviewer	135.00	Helena
Donovan, Gladys M.	Junior Stenographer	105.00	Butte
Dool, Charles A.	Manager	175.00	Missoula
Draper, Charles H.	Senior Interviewer	170.00	Kalispell
Duley, Adolph J.	Senior Interviewer	150.00	Great Falls

NAME	POSITION	MONTHLY SALARY	LEGAL RESIDENCE
Dullenty, Alice D.	Junior Stenographer	105.00	Billings
Dunstan, Thomas E.	Intermediate Clerk	120.00	Buttee
Durfee, Marion C.	Junior Interviewer	125.00	Philipsburg
Erickson, Mildred C.	Senior Clerk	150.00	Helena
Fey, Ambrose J.	Senior Interviewer	170.00	Bozeman
Forsell, Louis	Junior Clerk	170.00	Butte
Gilbert, Frederick C.	Field Supervisor	275.00	Butte
Graham, George D.	Intermediate Clerk	120.00	Helena
Gray, John	Junior Interviewer	135.00	Miles City
Guilbault, Charles P.	Manager	175.00	Billings
Hanley, John J.	Senior Interviewer	150.00	Butte
Hanson, Allan C.	Junior Interviewer	125.00	Kalispell
Harrington, James J.	Manager	200.00	Butte
Harrington, Janet C.	Junior Interviewer	120.00	Butte
Hartt, Helen	Junior Interviewer	120.00	Kalispell
Harvey, Karl J.	Junior Interviewer	125.00	Butte
Hoffbeck, Olive I.	Junior Interviewer	90.00	Shelby
Honey, John V.	Senior Interviewer	170.00	Lewistown
Hines, Cyril R.	Junior Interviewer	125.00	Bozeman
Jenkins, Albert T.	Junior Interviewer	125.00	Billings
Johnson, Steven E.	Manager	175.00	Great Falls
Jones, Eulalie L.	Junior Stenographer	100.00	Livingston
Kelly, Margaret A.	Int. Stenographer	120.00	Kalispell
Knorr, Birdie S.	Junior Interviewer	120.00	Glasgow
Lamport, Orrin G.	Field Supervisor	125.00	Helena
Lehn, Fred A.	Junior Interviewer	135.00	Butte
LeVitre, Louis H.	Senior Interviewer	170.00	Helena
Lippard, Myrle V.	Junior Interviewer	120.00	Great Falls
Marks, Cleve C.	Junior Interviewer	125.00	Townsend
Marshall, Joseph J.	Senior Interviewer	150.00	Billings
Maxey, Curtis K.	Junior Interviewer	125.00	Billings
McCarthy, Mary M.	Junior Interviewer	105.00	Butte
Meide, Emma C.	Junior Stenographer	120.00	Billings
Nelson, John W.	Director	300.00	Helena
O'Connell, John H.	Senior Interviewer	170.00	Kalispell
Penfield, Eldon M.	Senior Interviewer	150.00	Livingston
Peppard, Dorothy G.	Junior Stenographer	105.00	Missoula
Poole, William	Junior Interviewer	125.00	Roundup
Pronovost, Alfred A.	Junior Interviewer	100.00	Polson
Ritchey, Joseph E., Jr.	Junior Interviewer	125.00	Conrad
Sager, Erva	Junior Clerk (Part-time)		Polson
Seder, Adeline F.	Junior Interviewer	120.00	Great Falls
Smith, Alvena L.	Junior Stenographer	110.00	Townsend
Steward, Nellie J.	Junior Stenographer	105.00	Bozeman
Thompson, George H.	Junior Stenographer	100.00	Billings
Tibbs, Harry M.	Administrative Assistant	200.00	Butte
Vest, John F.	Accountant (Fiscal)	160.00	Helena
Wright, Richard E.	Junior Interviewer	135.00	Glasgow

PAID FROM COUNTY AND FEDERAL FUNDS

Grove, William E.	Junior Interviewer	125.00	Malta
Hooban, Homer L.	Junior Interviewer	100.00	Florence
Kedzie, Malcolm K.	Junior Interviewer	150.00	Libby
Knight, Glenn H.	Junior Interviewer	125.00	Hardin
Nordstrom, Carl A.	Junior Interviewer	125.00	Red Lodge
Oliver, Florence E.	Junior Stenographer	105.00	Glendive

PAID FROM COUNTY FUNDS

NAME	POSITION	MONTHLY SALARY	LEGAL RESIDENCE
Coffman, Judith A.	Junior Stenographer	105.00	Lewistown
Olson, Gladys	Junior Clerk	75.00	Malta
Percin, Angela J.	Junior Stenographer	100.00	Anaconda
Reisig, Waunita	Junior Stenographer	90.00	Sidney
Taylor, Florence E.	Junior Stenographer	105.00	Helena
Blackstone, Elmer R.	Junior Interviewer	125.00	Chinook
Bishop, Charles A.	Junior Interviewer	75.00	Big Timber
Daniells, Hugh O.	Junior Interviewer	125.00	Thompson Falls
Harris, Wm. N., Jr.	Junior Interviewer	125.00	Deer Lodge
June, Charles E.	Junior Interviewer	125.00	Forsyth
McLeod, Ina R.	Junior Interviewer	125.00	Terry
Worthington, Wm. M.	Junior Interviewer	125.00	Cut Bank

PAID FROM FEDERAL FUNDS

Downs, Roscoe Blaine	Veterans' Placement Rep.	216.66	Helena
Waller, Violet M.	Secretary	120.00	Helena
Lerum, Edwin A.	Junior Counselor	150.00	Butte
Osher, Almer E.	Junior Counselor	150.00	Missoula
Hieb, John A.	Junior Counselor	150.00	Billings
Harnish, Dale H.	Junior Counselor	150.00	Great Falls

HOW BENEFITS ARE PAID

Tentative procedures for the payment of benefits were drawn in February, 1939. Estimates of personnel, equipment and supplies incident to paying benefits were prepared and submitted, with the tentative procedures, to the Social Security Board. Approval was received from that agency early in May. An intensive personnel training program was then instituted. Training schools were conducted in Helena, Glendive, Billings, Great Falls, Glasgow, Missoula and Butte. The acceptance of benefit claims began on July 1, 1939. It was immediately noted that the claims taking and processing operations were functioning in an efficient manner. From the outset initial claims were acted upon promptly. Checks in payment of valid claims were issued without delay.

Each unemployed person who has previously worked for an employer covered by the Montana law is entitled to unemployment compensation on condition that he meet certain eligibility requirements; namely, that he:

Be unemployed; register for employment; file a claim for benefits; be able to work and available for work; serve a two weeks waiting period prior to any week for which he claims benefits; must have earned a minimum of at least \$150.00 within the first four of the last five completed calendar quarters.

How Claims Are Filed

Claims for benefits are filed by the unemployed worker in an office of the State Employment Service. Unemployed

workers who reside more than 10 miles from a state employment service office are permitted to file their claims by mail. Claims filed in employment service offices are transmitted to the administrative offices of the Commission in Helena at the end of each day. The worker's wage history is withdrawn from his individual wage record file in the Helena office and a transcript of his earnings in covered employment is prepared. This is known as an Initial Determination.

A two weeks waiting period is required before the actual payment of benefits begins. During the waiting period the Employment Service attempts to find suitable employment for the claimant; the Unemployment Compensation division is preparing an Initial Determination and setting up records for benefit payments, which shall begin at the end of the waiting period and first compensable week, provided the claimant is still unemployed and otherwise eligible.

Each claimant is required to report weekly to continue his claim for benefits. A payment of benefits is made only after a week of unemployment has ended and a continued claim has been prepared and signed by the claimant for that particular week. The two weeks waiting period requirement and the completion of a compensable week before payment can be made makes it impossible for a claimant to receive his first benefit check until after the end of the third week from the date he filed his claim for benefits.

First Check Issued

The first benefit check was issued on July 22, 1939. From July 22 to March 1, 1940, a total of 144,503 checks were issued and mailed to unemployed workers. Not all of the claimants live within the State of Montana. In fact, claims for benefits have been received and approved for payment which have originated in nearly every state of the union. The payment of benefits under these conditions is made possible through an interstate benefit payment plan to which the Montana agency has subscribed. The distribution of benefit payments has reached all of the communities within the state.

Policy Is to Pay Claims

The policy of the Commission with regard to benefit payments is to give the claimant the benefit of every reasonable doubt and to pay each and every claim possible under the law.

When claimants are not satisfied with the initial determination of their claim, either because they were held ineligible or because they believe their benefit amount too low, they are urged to ask for a redetermination or file an appeal.

Benefit claims to date have been paid promptly, with but few exceptions. These exceptions for the most part have been caused by employers failing to file wage reports.

SUMMARY OF CLAIMS ACTIVITIES

July 1, 1939 to December 31, 1939, Inclusive

From July 1 to December 31 a total of 18,574 initial claims were processed, of which 15,869 were new claims and 2,705 were additional claims. A total of 76,002 continued claims were disposed of, of which 5,876 were waiting period claims, and 70,126 were compensable claims. New claims allowed totaled 14,098, or 88.8 per cent, and 1,782 claims were disallowed, or 11.2 per cent.

The Commission is pleased to report that of the 100,000 claims of various kinds handled in the first six months of paying benefits only 11 appeals were made from determinations made by the Claims and Benefit section. No appeal went farther than the Appeal Tribunal.

The table on page 19 shows claims activities by months. The chart on page 20 shows the fund, new claims and amount of benefit payments.

Benefit Payments

The total number of checks issued up to the end of December was 68,340 with a total value of \$765,210.00, or an average amount per check of \$11.20; 33.5 per cent of the payments were less than \$10.00; 37.7 per cent were from \$10.00 to \$14.00, and 28.8 per cent were \$15.00, the maximum payment.

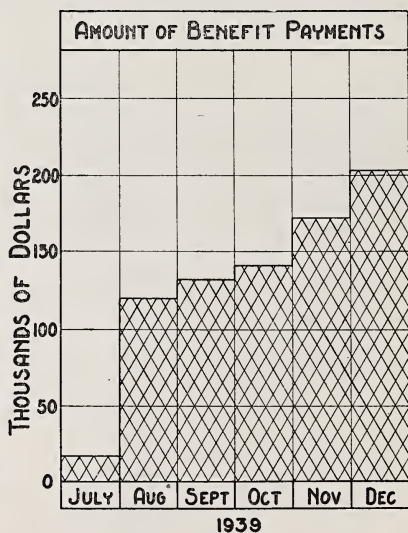
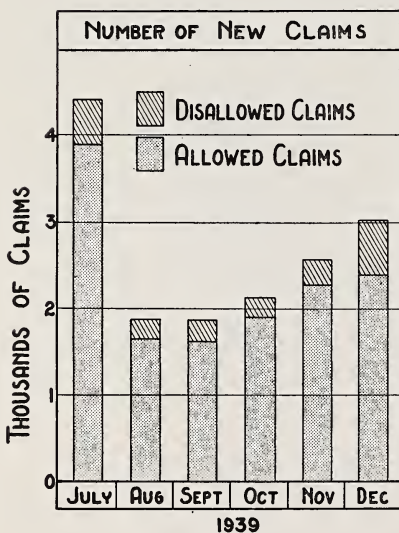
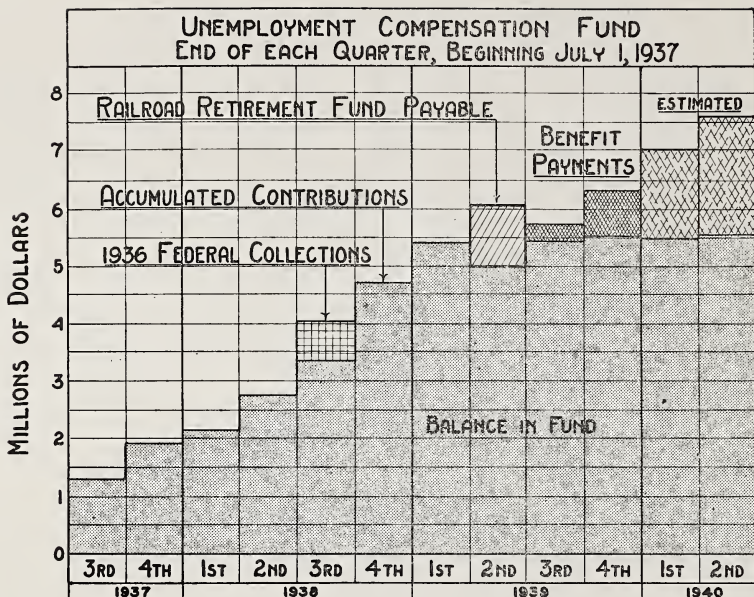
Benefit Payments

	No.	Amount	Average Per Check
July	1,353	\$ 15,865.00	
August	10,743	123,796.00	
September	11,537	131,864.00	
October	12,244	137,815.00	
November	14,110	154,431.00	
December	18,353	201,439.00	
Total and Average.....	68,340	\$765,210.00	\$11.20

Amount	Per Cent of Total Payments
\$ 5.00	7.1
6.00	7.3
7.00	5.9
8.00	6.5
9.00	6.7
10.00	7.0
11.00	6.9
12.00	7.8
13.00	7.1
14.00	8.9
15.00	28.8
	100.0

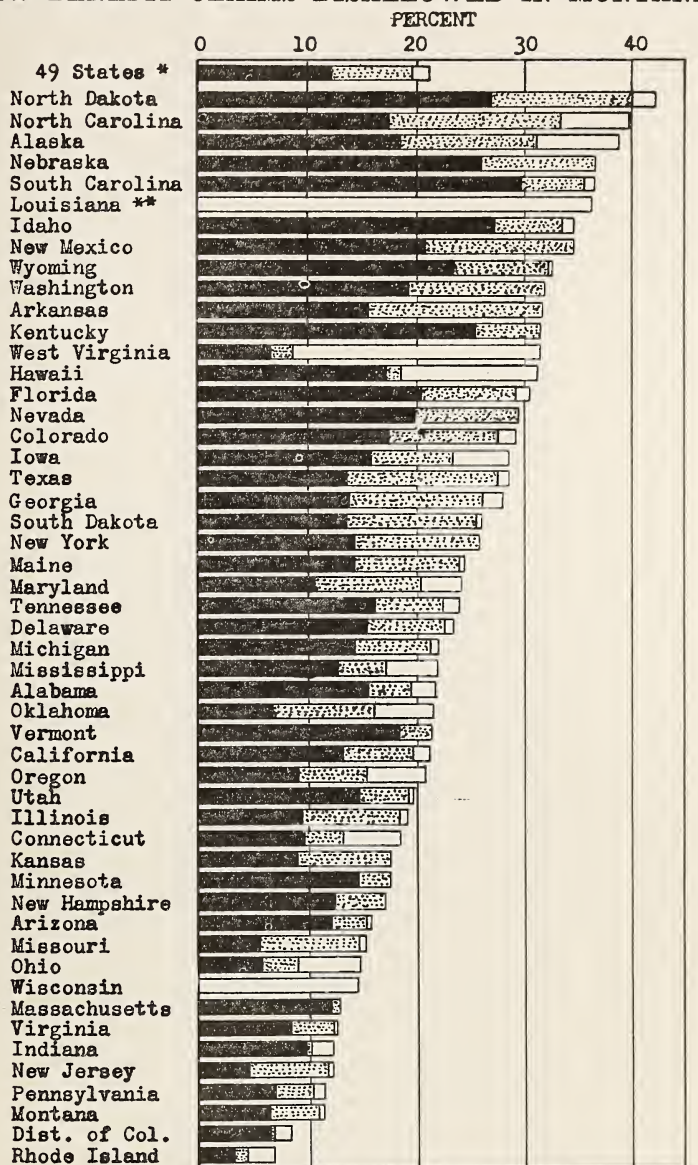
Comparison of Montana With Other States in Claims Disallowed

For the six months July to December 1939, the per cent of disallowed claims to new claims was 11.2 per cent; for the three month period from October to December, 11.5 per cent were disallowed mostly because of insufficient wage credits. Montana ranks among the first three states in low proportion of disallowed claims. (See chart on page 21 and table on page 22).



The sudden increase in benefit claims in January and February, 1940, when workers drew \$844,000.00 from the unemployment compensation fund, reveals that benefit payments will about equal, and may even exceed employer contributions, in the year ending June 30, 1940. The number of new claims and amount of benefit payments charts carry claims and benefits only to December 31, 1939.

FEW BENEFIT CLAIMS DISALLOWED IN MONTANA



Insufficient wage credits
 No wage record
 Other reasons

* Excludes Louisiana and Wisconsin because data are not comparable.

** Data by reason for disallowance not available.

*** Includes some claims not allocated for disallowance where provision of state law is not comparable.

Table prepared by Social Security Board

Summary of Claims Activities by Months July to December, 1939, Inc.

Initial Claims Disposed of			Continued Claims Disposed of		Total	New Claims Allowed	New Claims Dis-allowed	New Claims Authorized
New	Add'l.	Total	Waiting Period	Compens-able				
July	4,388	4,396	545	1,357	1,902	3,888	500	1,353
August	1,870	2,079	897	10,777	11,674	1,696	176	1,882
September	1,841	2,148	739	11,560	12,299	1,633	211	1,128
October	2,121	2,514	947	12,650	12,650	1,884	237	1,381
November	2,526	3,205	14,744	14,744	15,936	2,237	293	1,568
December	3,123	4,232	1,556	19,038	20,594	2,760	365	2,201
Total	15,869	18,574	5,876	70,126	76,002	14,098	1,782	9,513
Appeals	11							
Total	15,880							

STATUS OF CLAIMANTS ON DECEMBER 31, 1939

In the week ending December 31, 1939, 5,177 claimants, or 36.7 per cent of the 14,098 persons whose claims had been allowed since July 1, filed weekly compensable claims. An additional 1,052 or 7.5 per cent, had ceased to file claims after receiving one or more benefit checks; 4,585, or 32.5 per cent, had failed to complete their compensable week after their claims had been allowed. It is, therefore, assumed that most of the 7,869, or 55.8 per cent of those whose claims had been allowed during the period had been re-employed either before they had received benefits or before the exhaustion of their benefit rights. However, many of these persons who took advantage of work opportunities in the summer months resumed their active status as claimants during the winter period when employment slackened. The following table shows claimant status as of December 31, 1939.

	Number	Per Cent
New Claims Allowed.....	14,098	100.0
New Claims Authorized (1st pay orders)...	9,513	67.5
Compensable Week Served.....	4,585	32.5
Compensable Claims Last Week in December	5,177	36.7
Claimants Exhausting Benefits.....	1,052	7.5
Claims Inactive After Receiving One or More Checks.....	3,284	23.3

Weekly Benefits High in Montana

Benefit payments to the unemployed are approximately one-half the regular wages of the claimant. The average size of checks is a measure of the wage rate. In Montana, only 7.1 per cent of the checks were less than \$6.00. During the benefit paying period, July to December 1, 26.4 per cent were \$6.00 and less than \$10.00 and 66.5 per cent were \$10.00 and over. (See Most Unemployed in State in High Benefit Bracket Chart on page 24).

Montana was among the lowest 12 states in the number of checks under \$6.00 and among the first 15 states paying \$10.00 and over.

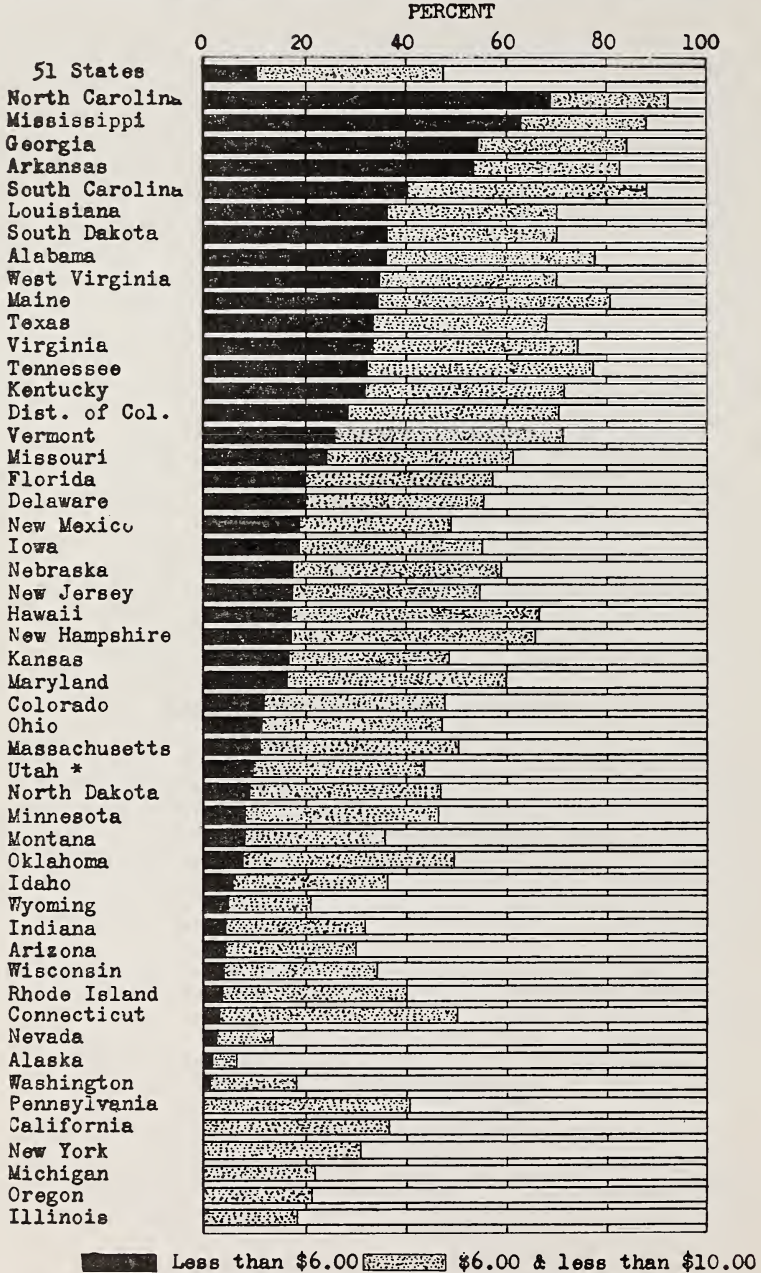
NUMBER OF COVERED WORKERS IN MAJOR INDUSTRIAL GROUPS

Contribution reports from employers show the number of covered workers by months. These reports are compiled by industry according to the Social Security Board classification covering 88 industries, and 15 major industrial groups.

General Trends of Employment

The highest number of covered workers reported for the entire period from July, 1937, through September, 1939, was in July, 1937, with a total of 92,692 workers, including 13,143

MONTANA RANKS HIGH IN BENEFIT PAYMENTS



* Includes payments for part-total unemployment

Table prepared by Social Security Board

interstate railroad workers. The highest number of workers, excluding railroad workers, was reported in September 1937 when 79,945 workers were employed. Employment showed a seasonal decrease reaching a low of 57,733 workers, excluding railroad workers, in February, 1938. The number increased during the spring and summer to a maximum of 66,283 in September, 1938. Again there was a seasonable decline to a low of 55,768 in February, 1939.

Since February, 1939, there was a steady increase in the number of covered workers to November, 1939. From May through September the total covered workers was over 5,000 more than for the corresponding months of 1938.

NUMBER OF COMPENSABLE CLAIMS

By Local Offices, By Mail and Multi-State

During the six months ending December 31, 1939, the total number of compensable claims received was 71,344 of which 52,408 (73.5 per cent) were received from the local offices, 10,347 (14.5 per cent) were received by mail and 8,569 (12.0 per cent) were received from out-of-state points.

The 23 state offices accounted for 67.0 per cent of the compensable claims, 8 affiliated county offices 4.1 per cent, contact offices 2.1 per cent and miscellaneous points 0.3 per cent.

Total Number of Compensable Claims

Total	71,324	100.00
By Mail	10,347	14.5
Multi-State Liable	8,569	12.0
Local Offices	52,408	73.5

STATE OFFICES

Anaconda	1,304	1.8
Billings	5,129	7.2
Bozeman	1,560	2.2
Butte	15,270	21.4
Glasgow	712	1.0
Glendive	235	0.3
Great Falls	3,954	5.5
Hamilton	796	1.1
Hardin	347	0.5
Havre	1,093	1.5
Helena	2,585	3.6
Kalispell	2,526	3.5
Lewistown	733	1.0
Libby	259	0.4
Livingston	831	1.2
Malta	621	0.9
Miles City	921	1.3
Missoula	3,316	4.7
Polson	1,291	1.8
Red Lodge	1,416	2.0
Roundup	1,878	2.6
Shelby	301	0.4
Sidney	675	0.9
Total 23 State Offices.....	47,753	67.0

AFFILIATED COUNTY OFFICES

Big Timber	213	
Chinook	430	
Conrad	620	
Cut Bank	503	
Deer Lodge	562	
Forsyth	320	
Terry	20	
Thompson Falls	259	
Total 8 County Offices.....	2,927	4.0

CONTACT OFFICES

Baker	255	
Choteau	113	
Circle	174	
Dillon	220	
Ekalaka	42	
Jordan	246	
Ryegate	48	
Scobey	31	
Stanford	71	
White Sulphur Springs.....	174	
Wibaux	19	
Wolf Point	123	
Total 12 Contact Offices.....	1,516	2.1

MISCELLANEOUS POINTS

Philipsburg	160	
Winnett	38	
Broadus	6	
Harlowton	8	
Total Miscellaneous	212	0.3

EMPLOYERS, WORKERS MAY APPEAL

There are three steps in the appeal procedure provided for by the Unemployment Compensation law, whereby a dissatisfied party, either employer or employee, may appeal first to the Appeals Tribunal, second to the Commission and then to the courts.

The hearings by the Appeals Tribunal are of informal fact finding nature, held in all cases wherein an interested party disagrees with the initial determination made by the Claims and Benefit Section and files a request for hearing. Any party interested, either employer or employee, if dissatisfied with a benefit determination made by the deputy, may file an appeal and request for hearing. Such hearings are of informal fact finding nature, and held in places convenient to parties interested. Further appeals to the Commission may be made by any interested party disagreeing with the findings of the Appeals Tribunal, and a final appeal to the court is provided, if either party interested is still dissatisfied.

During 1939, 11 appeal cases were disposed of. In eight of these the appeals of unemployed workers were allowed and in three cases the appeals were disallowed.

TRENDS OF EMPLOYMENT IN MAJOR INDUSTRIAL GROUPS

1. Mining.—This group includes metalliferous mining, bituminous coal mining, and crude petroleum and natural gas production.

Metalliferous Mining

Employment in the copper, lead and zinc mines at Butte is the predominating factor in the mining group. Production of copper and zinc is dependent on the prices of the metals. Employment is proportional to production.

In July, 1937, the New York price of copper was 13.87 cents per pound. Zinc was quoted in St. Louis at 7.2 cents per pound. The number of workers was 12,742. During the balance of 1937 and continuing during the first half of 1938, the price of copper dropped to 8.87 cents per pound. Zinc dropped to 4.04 cents per pound.

By July 1938, the number of workers in metalliferous mining dropped to 4,458, a decrease of 65 per cent.

From July to November, 1939, copper advanced to 11.12 cents per pound and zinc advanced to 4.91 cents per pound. The number of workers increased to 7,204. During the first six months of 1939, prices of metals sagged, but in the latter months of 1939 the price of copper rose above 12 cents per pound. As a result, the number of workers has substantially increased over 1938 levels.

Bituminous coal mining is more active in the fall and winter months, whereas, crude petroleum and natural gas production reach their highest levels during the summer and fall months. However, these industries account for only one-fourth of the total mining group.

2. Contract Construction.—Employment in the construction industries is more or less seasonal, reaching its peak in August and September and dropping to a low point in February of each year. An average of over 5,000 persons are employed.

3. Non-Ferrous Metals.—This group covers the smelting and refining of copper, zinc and lead. In general, the trends follow the mining group. This group accounts for 2,500 to 4,000 workers.

4. Manufacturing.—The most important manufacturing industries in Montana are food, lumber, and printing. This group shows marked seasonal trends being highest in September and November and lowest in February and March. This group accounts for 8,000 to 9,500 persons on an average.

5. Interstate Transportation.—This group is highest in the latter months of the year and lowest in the first four months. Over 10,000 workers are employed. (The majority of workers in this group now are protected by the Railroad Unemployment Insurance Act.)

Other Transportation.—This group employs about 1,500 workers with maximum employment in September and October and minimum employment in March.

6. Communication.—This group includes employees of the telephone, telegraph and radio companies and accounts for about 1,600 workers employed fairly steadily throughout the year.

7. Utilities.—This group employing about 2,500 workers shows slight fluctuations from the winter to the summer months.

8. Trade.—The trend of wholesale trade shows minimum employment in the winter months reaching a maximum in July; retail general merchandise is highest in October and December and lowest in February; retail food is constant throughout the year; retail apparel reaches its peaks in April and December; retail automotive is fairly steady throughout the year.

Retail general merchandise being the largest member of the group, the total trade trend is highest in December and lowest in February. The wholesale and retail trade is the largest of the industrial groups, accounting for about 18,000 workers on an average.

9. Finance, Real Estate, etc.—This group employs on an average of about 1,600 to 1,800 workers and was fairly steady throughout the period. A general decline is noticeable since 1937.

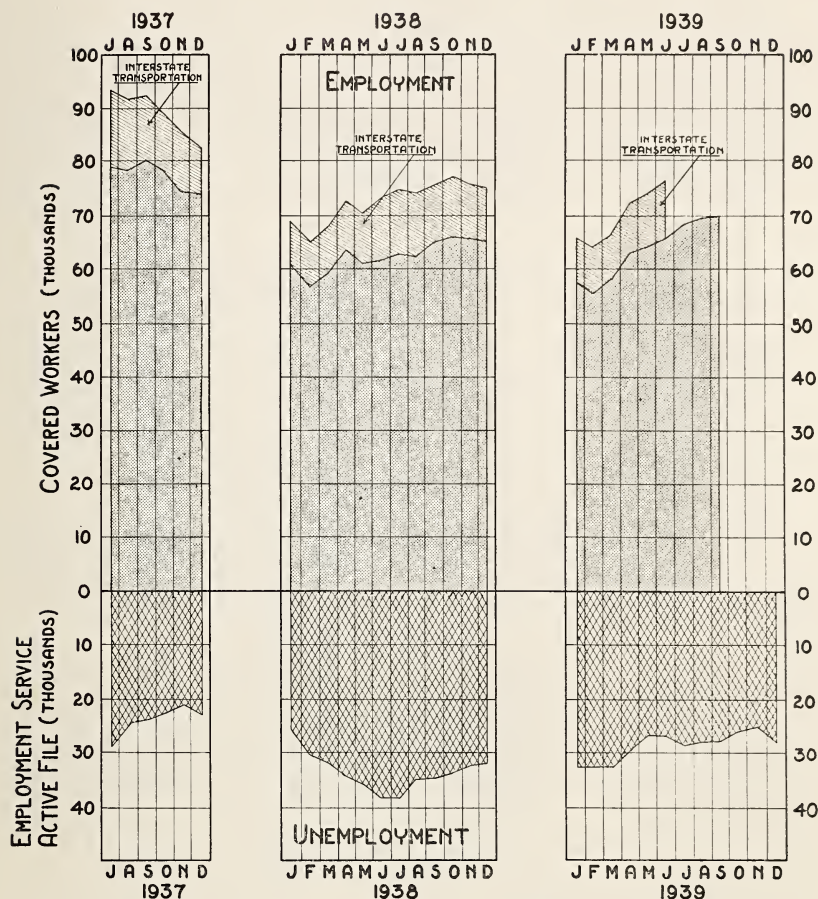
10. Personal Service.—This group includes employees in hotels, restaurants, amusements, garages, filling stations, etc. The average number employed varies from 9,000 to 12,000 and shows seasonal peaks in the summer months and lows during January and March.

11. Professional Service.—This group is relatively small with about 1,000 covered workers.

The total number of workers each month, as reported by covered employers, may be considered as representing the amount of employment in the covered industries for that month. The number in the active file of workers registered and seeking employment at the Employment Service offices at the end of each month is assumed to indicate the trend of unemployment of all the workers in the state, both covered and not covered by unemployment compensation.

The chart comparing employment and unemployment shows the number of covered workers by months from July, 1937, to September, 1939, inclusive. Active file figures are shown from July, 1937, to December, 1939, inclusive. (See chart on page 29 and charts on pages 30 and 31. Tables on pages 32, 33, 34 and 35).

COMPARISON OF WORKERS AND JOBLESS



Number of Covered Workers*

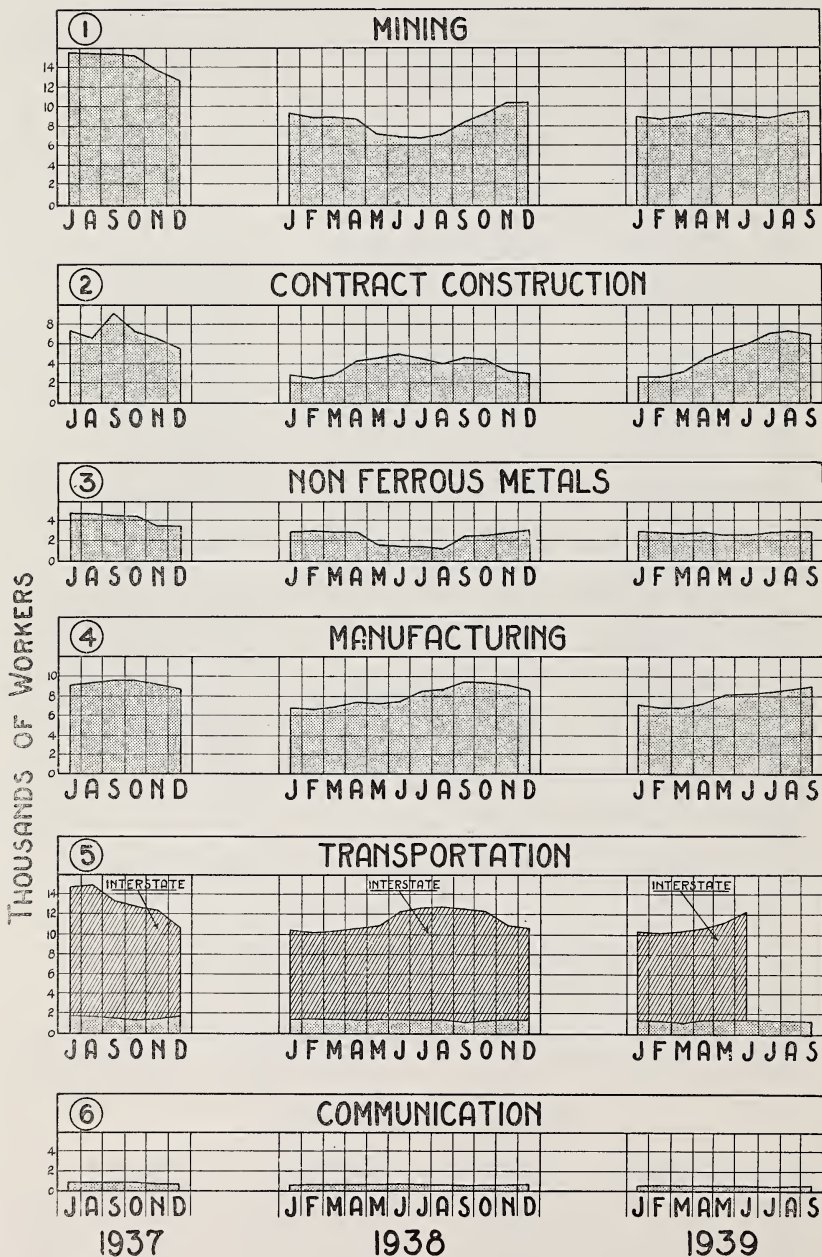
	Average	High	Low
1937.....	77,163	79,945 (Sept.)	75,546 (Dec.)
1938.....	62,709	66,283 (Oct.)	57,733 (Feb.)
1939.....	63,509	70,030 (Sept.)	55,768 (Feb.)

Number in Active File

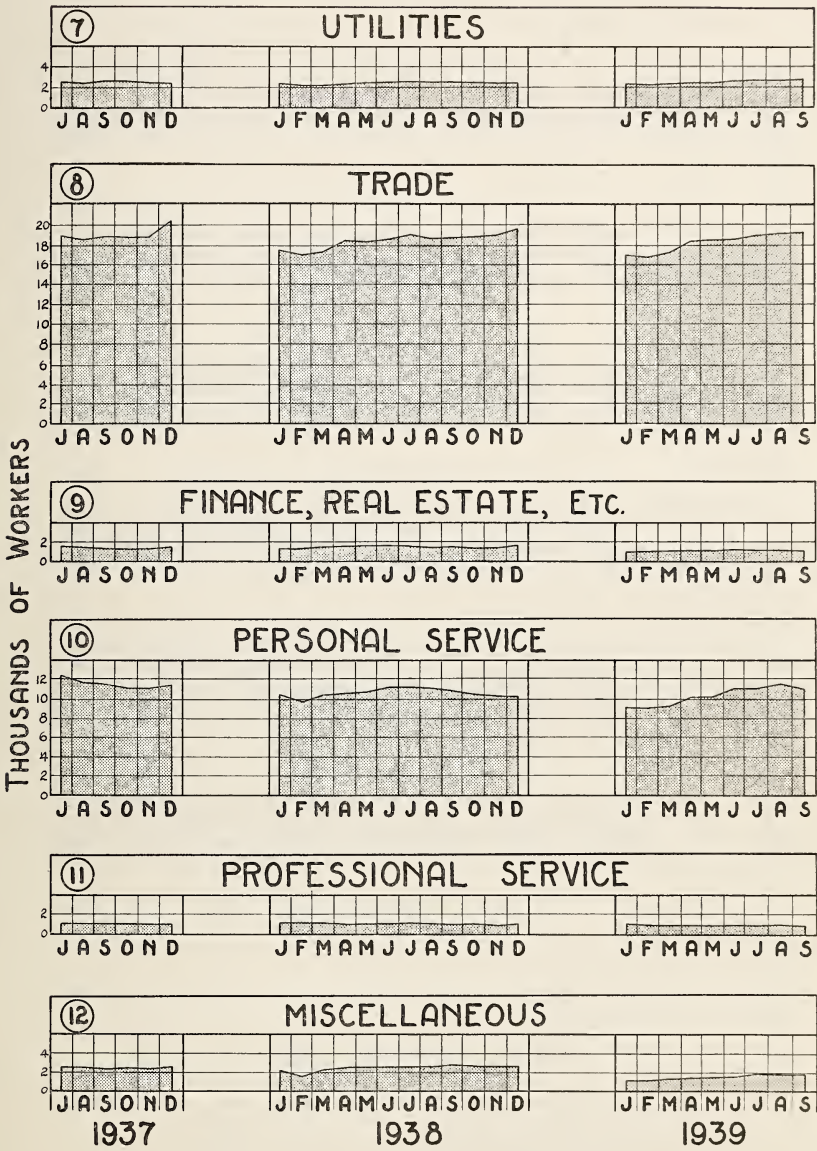
	Average	High	Low
1937.....	24,176	29,237 (July)	20,826 (Nov.)
1938.....	33,626	37,887 (June)	32,315 (Dec.)
1939.....	29,148	32,889 (Jan.)	26,886 (Nov.)

(*Exclusive of railroad workers).

NUMBER OF WORKERS IN MAJOR INDUSTRIES



NUMBER OF WORKERS IN MAJOR INDUSTRIES (Cont'd.)



NUMBER OF COVERED WORKERS IN MAJOR INDUSTRIAL GROUPS BY MONTHS
July 1937 to September 1939, Inc.

		January	February	March	April	May	June
Mining	1937						
	1938	9329	9163	9205	9043	7564	7231
	1939	9329	9156(L)	9359	9430	9471	9272
Contract Construction	1937						
	1938	2987	2542(L)	2983	4143	4348	4599
	1939	2673	2439(L)	3378	4618	5537	6029
Non-Ferrous Metals	1937						
	1938	2994	2871	2838	2859	1958	1757
	1939	3039	2978	3029	3072	2978	2893
Manufacturing	1937						
	1938	7006	6764(L)	6960	7754	7698	7891
	1939	7388	7092	7029(L)	7781	8156	8366
Interstate Transportation	1937						
	1938	8849	8628(L)	8995	9268	9704	10752
	1939	8829	8796(L)	9353	9540	10322	10950(H)
Other Transportation	1937						
	1938	1505	1511	1476(L)	1537	1513	1591
	1939	1476	1432	1291(L)	1399	1498	1608
Communication	1937						
	1938	1342	1316(L)	1353	1353	1387	1432(H)
	1939	1242(L)	1242(L)	1258	1260	1294(H)	1293
Utilities	1937						
	1938	2215	2084	2082(L)	2340	2429	2512(H)
	1939	2120(L)	2139	2202	2468	2365	2511(H)
Trade	1937						
	1938	17543(L)	16986	17470	18564	18139	18464
	1939	16941(L)	16759	17380	18349	18387	18691

		January	February	March	April	May	June
Finance, Real Estate, etc.	1937						
	1938	1719 (L)	1722	1793	1857	1904	1936 (H)
	1939	1507 (L)	1511	1518	1589	1577	1603
Personal Service	1937						
	1938	10233	9903 (L)	10293	10283	10429	11338
	1939	9048	8913 (L)	9172	10081	10536	11146
Professional Service	1937						
	1938	1020	1007	1005	1000	1003	1012
	1939	955 (H)	890 (L)	897	907	909	924
Miscellaneous	1937						
	1938	2059	1864 (L)	2130	2304	2444	2523
	1939	1291	1226 (L)	1280	1586	1750	1806
Total All Industries	1937						
Less Interstate Railroads	1937						
Total Montana U. C. Law	1937						
Total All Industries	1938	69144	66361	68583	72404	70520	73038
Less Interstate Railroads	1938	8849	8628	8995	9268	9704	10752
Total Montana U. C. Law	1938	60925	57733 (L)	59588	63136	60816	62286
Total All Industries	1939	65838	64564	67146	72080	74780	77092
Less Interstate Railroads	1939	8329	8796	9363	9540	10322	10950
Total Montana U. C. Law	1939	57,009	55768 (L)	57793	62540	64458	66142

Note: (H) Indicates highest of year.

(L) Indicates lowest of year.

NUMBER OF COVERED WORKERS IN MAJOR INDUSTRIAL GROUPS BY MONTHS (Continued)

		July	August	September	October	November	December
Mining	1937	15854 (H)	15652	15694	15426	13801	12761
	1938	7404	8462	9748	9748	10475 (H)	10369
	1939	9130	9495	9744 (H)			
Contract Construction	1937	7445	6567	8889 (H)	7709	6667	5593 (L)
	1938	4306	4054	4388 (H)	4181	3652	3244
	1939	7320	7627 (H)	7265			
Non-Ferrous Metals	1937	4574 (H)	4390	4412	4337	3852	3359 (L)
	1938	1866	1726 (L)	2194	2640	3096	3319 (H)
	1939	2941	3075	3099			
Manufacturing	1937	9169	9579	9744	9846 (H)	9293	8855 (L)
	1938	8410	8662	9547	9715 (H)	9100	8669
	1939	8669	9123	9354 (H)			
Interstate Transportation	1937	13143	13702 (H)	12081	11413	10643	9249 (L)
	1938	11384	11631 (H)	11422	10778	9533	9335
	1939						
Other Transportation	1937	1714	1803	1662	1559	1578	1719
	1938	1553	1578	1467	1605 (H)	1517	1509
	1939	1606	1624	1661 (H)			
Communication	1937	1448	1479	1450 (H)	1436	1416 (H)	1417
	1938	1431	1415	1404	1394	1359	1355
	1939	1251	1271	1256			
Utilities	1937	2647	2610	2705	2718	2652	2380
	1938	2444	2372	2391	2371	2264	2223
	1939	2482	2498	2523			
Trade	1937	18931	18558	19031	18771	18942	20531 (H)
	1938	19179	18715	18813	18990	18982	18716 (H)
	1939	18813	19002	19503 (H)			

		July	August	September	October	November	December
Finance, Real Estate, etc.	1937	1858 (H)	1709	1720	1671	1670 (L)	1786
	1938	1844	1779	1790	1730	1719 (L)	1752
	1939	1616	1603	1623 (H)			1572
Personal Service	1937	12252 (H)	11822	11338	11027	11296	11633
	1938	11273 (H)	11232	10943	10216	10100	10006
	1939	11296	11694 (H)	11132			
Professional Service	1937	1082 (H)	1064	1019	1003	994 (L)	1016
	1938	1039 (H)	1047	1039	1012	985 (L)	1000
	1939	914	907	924			
Miscellaneous	1937	2575 (H)	2560	2281 (L)	2344	2189	2496
	1938	2564	2538	2738 (H)	2664	2541	2439
	1939	1986 (H)	1916	1957			
Total All Industries	1937	92692 (H)	91494	92026	89269	84933	82795
Less Interstate Railroads	1937	13143	13702 (H)	12081	11413	10843	9249 (L)
Total Montana U. C. Law	1937	79549	77792	79945 (H)	77856	74290	73546 (L)
Total All Industries	1938	74492	74172	76616	77061 (H)	75340	75055
Less Interstate Railroads	1938	11384	11631 (H)	11422	10778	9533	9335
Total Montana U. C. Law		63108	62541	65194	66283 (H)	65807	64720
Total All Industries	1939						
Less Interstate Railroads	1939						
Total Montana U. C. Law	1939	68014	69830	70030 (H)			

Note: (H) Indicates highest of year.
(L) Indicates lowest of year.

Average employment in 1938 was relatively low compared with 1937 and the number of persons seeking work was relatively high. Employment in 1939 increased over 1938 and the average active file figures for 1939 was relatively low. It will be noted that downward and upward trends in the active file lag behind the trends of employment by several months in 1937 and 1938. In 1939, the trend of the active file is more responsive to employment conditions than in previous years. It is fair to assume, therefore, that the Employment offices are being more freely used by the unemployed people in Montana.

Comparison of Number of Covered Workers and Employment Service Active File

	1937		1938		1939	
	Workers	Active File	Workers	Active File	Workers	Active File
January	.....	.....	60,295	26,598	57,009	32,889 (h)
February	.....	.....	57,733 (1)	30,065	55,768 (1)	32,520
March	.....	.....	59,588	32,299	57,793	32,211
April	.....	.....	63,136	34,768	62,540	29,975
May	.....	.....	60,816	36,105	64,458	27,499
June	.....	.....	62,286	37,887 (h)	66,142	27,673
July	79,548	29,237	23,108	37,665	68,014	28,290
August	77,792	24,794	62,541	35,196	69,830	28,055
Sept.	79,945 (h)	24,039	65,194	34,595	70,030 (h)	28,009
October	77,856	22,826	66,283 (h)	33,450	(not	27,143
November	74,290	20,826 (1)	65,807	32,566	avail-	26,886 (1)
December	75,546	23,333	65,720	32,315	able)	28,620
Average	77,163	24,176	62,709	33,626	63,509	29,148

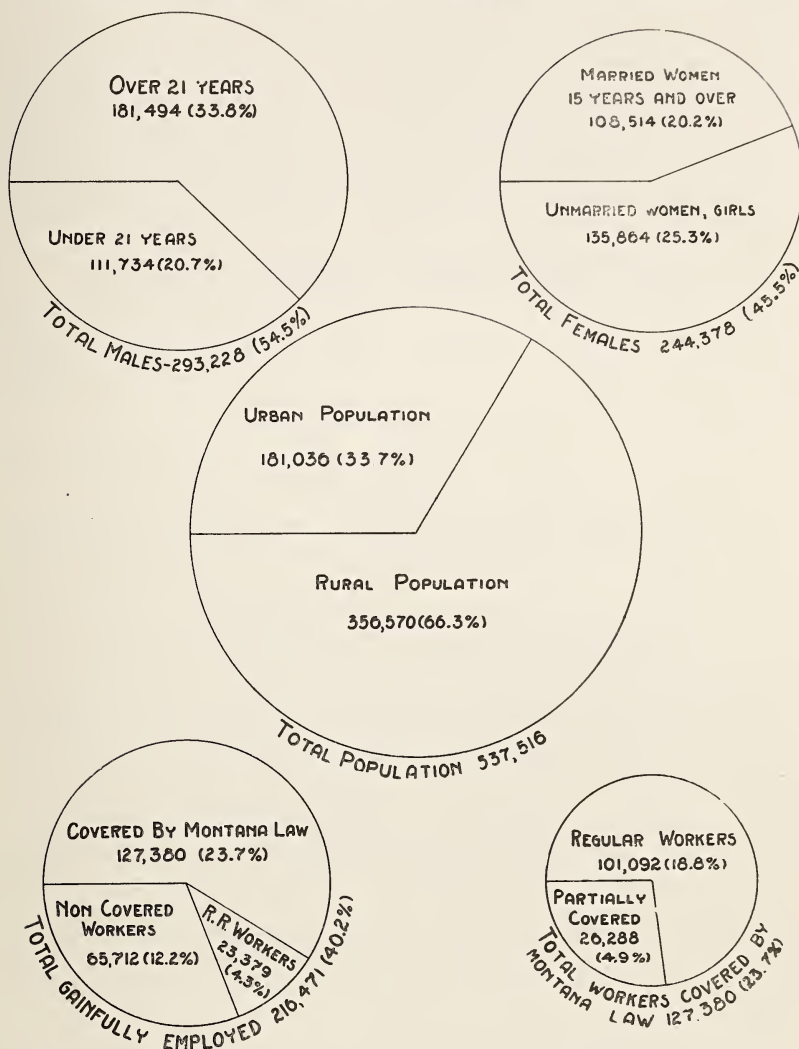
DISTRIBUTION OF THE POPULATION OF MONTANA

By Ages, Marital Status, Gainfully Employed and Covered by Unemployment Compensation

According to the census of 1930, the total population of Montana was 537,516 of which 293,228 were males and 244,378 females. There were 318,611 or 59.3 per cent over 21 years of age; 181,494 men and 137,117 women. There were 108,514 married women, 15 years of age and over; 216,471 persons or 40.2 per cent of the total population 10 years of age and over were engaged in gainful occupations. Of these 92,000 persons were engaged in agriculture, domestic and public service not covered by the Unemployment Compensation law and 23,379 persons were engaged in transportation, mostly interstate, who are covered by the unemployment compensation provisions of the Railroad Unemployed Insurance Act.

From the census figures of 1930, it may be calculated that 101,092 persons were engaged in industries which are covered by the Montana Unemployment Compensation Act. However, a count of the wage records in 1938 on file with the Commission disclosed 129,380 persons had earned wages in covered industries. In 1939 about 2,000 persons were affected by the amendment exempting employers whose payroll was

127,000 WORKERS HAVE SOME WAGE CREDITS



Total Population (1930)	537,516	Per Cent of Total	100.0
Urban	181,036		33.7
Rural	356,570		66.3
Total Males	293,228		54.5
Over 21 years	181,494		33.8
Under 21 years	111,734		20.7
Total Females	244,378		45.5
Married (over 15 years)	108,514		20.2
Unmarried girls	135,864		25.3
Gainfully employed	216,471		40.2
Covered by Montana Law (1939)	127,380		23.7
Regular workers	101,092		18.8
Partially covered workers	26,288		4.9

\$500.00 and under. In 1939 at least 127,380 persons were affected by the provisions of the Montana Act. The increase of 26,288 shown by the commission records over the census figures of 1930 for covered workers is assumed to represent the number of persons in non-covered industries who work part of the year in covered industries. Not all of these persons, however, may have earned sufficient wages to make them eligible for unemployment compensation. It is estimated that 65,712 workers, principally in agriculture and domestic service are not covered by unemployment compensation.

STATE EMPLOYMENT SERVICE DIVISION

The Employment Service division's principal function is to place unemployed workers in jobs, in this manner serving both the unemployed and the employers. The division in addition takes the benefit claims of unemployed workers. These activities may be summarized as follows:

1. Registering the unemployed worker and classifying him by his occupational experience.
2. Soliciting and classifying opportunities for employment from the private employer, as well as public employment.
3. Selecting properly qualified people from its files of unemployed persons and directing such persons to available job openings.
4. Making surveys of probable needs of agriculture and directing unemployed workers to supply these needs.
5. Clearing applicants for work between various communities within the state and across state lines.
6. Keeping statistics as to the placement of persons in jobs, the number of unemployed in every county in the state and reporting changes in the labor market to the regional office of the service and to Washington.

The local offices of the division also take the claims of multi-state workers and forwards these claims to the proper liable state. The multi-state worker also is registered for employment.

Working under the direction of the state administrative office a Veterans' Placement Service is maintained. It is devoted primarily to jobs for unemployed veterans and furnishing veterans with information as to civil service examinations, veterans' preferences and other rights of veterans under federal and state laws. The Veterans' Placement Service is in the administrative office. Employees are designated to aid veterans in each of the local offices.

Employment Service Offices

There are 31 full time local offices and 14 contact offices to assist in the functions of the Commission. These serve all

counties in Montana with the exception of 11 and in these counties an itinerant service is provided.

In the 31 local offices a full time personnel is employed. In 23 of the 31 offices funds of the federal government are available to meet all or part of the expenses of operation. In the other eight of the full time offices local governmental units pay the entire cost of operations, as they do in the case of the 11 contact offices. The 31 local offices perform all of the functions of Unemployment Compensation claims taking as well as public employment service activities.

The 23 full time local offices supported wholly by federal, state and county funds are: Anaconda, Billings, Bozeman, Butte, Glasgow, Glendive, Great Falls, Hamilton, Hardin, Havre, Helena, Kalispell, Lewistown, Livingston, Malta, Miles City, Missoula, Polson, Red Lodge, Roundup, Shelby, Sidney and Libby.

The eight local offices maintained solely by county funds are located at Big Timber, Chinook, Conrad, Cut Bank, Deer Lodge, Forsyth, Terry and Thompson Falls.

The 14 contact offices supported wholly by counties are located at Chester, Circle, Dillon, Ekalaka, Jordan, Ryegate, Stanford, Plentywood, Columbus, White Sulphur Springs, Baker, Winnett, Wibaux and Scobey.

Veterans' Placement Service

On July 1, 1939 the Veterans' Placement Service was transferred from the Department of Labor to the Bureau of Employment Security. It has continued to operate through the local offices of the State Employment Service. These offices made a total of 1711 veterans' placements during 1939, of which 589 were in private industry.

As of November 20, 1939, 1742 veterans were employed by the WPA in Montana. One hundred and ten veterans are enlisted in the veterans' contingent of the CCC in Montana. The quota of CCC's at all times has been completely filled.

In October, 1939, 83 irrigated homesteads were opened for filing in the Fairfield area by the Bureau of Reclamation. No one but veterans were permitted to file for the first 90 days. Sufficient applications were received by the Bureau of Reclamation to completely fill all openings with veterans.

Farm Placement Service

Also operating as a branch of the division is the Farm Placement Service in the state office. Its purpose is to properly serve the needs of agriculture in its demand for seasonal and regular workers as well as dissemination of information as to job opportunities for both local residents and transients. Interstate clearance of agricultural laborers comes under this division, but it has been the policy of the state service to discourage the migration of agricultural workers to meet the needs of Montana agriculture. As a result, the number of seasonal

agricultural workers coming into Montana from other states has been decreased materially during 1939 and these jobs have been made available for Montana citizens.

One of the principal industries of Montana is agriculture. The farm population is 195,262 with 50,564 farm operators (1935 census).

The supplying of agricultural labor involves promotional work in order to acquaint farm and ranch operators with the facilities of the service in supplying their labor requirements. It requires clearance of labor and the direction of seasonal labor to any point in the state so as to avoid both a shortage and a surplus of labor. Farm placement activities are carried on in each local office of the division.

During the calendar year 1939 the division completed 3,640 agricultural placements.

The agricultural program starts with the wool growers and stock men in the early spring. Three thousand form letters were mailed to wool growers advising them of the facilities of the division.

Growing of sugar beets is one of the largest farm operations in Montana and requires more labor than any other division of agriculture. In former years it has been estimated that more than 10,000 out-of-state laborers were required for operations in connection with sugar beet growing. As a result of constant promotional work, the sugar companies were required to bring in but very little out-of-state labor during 1939.

The division has been able to refer competent workers to the grain and hay harvest by cooperation with the Montana State Farm Extension Service and various farm groups.

Youth Division

During the year 1939 an important new function was added to the service in the establishment of four centers of Youth counseling. Through the cooperation of the National Youth Administration, the service established in Billings, Great Falls, Missoula and Butte Junior Divisions with full time employees paid by the National Youth Administration in charge. Two of these divisions at Great Falls and Butte operated through the entire year. In these communities the Junior Counselors have made splendid progress in unifying efforts to place in jobs unemployed youths, through the cooperation of schools, churches and other organizations interested in this problem. Youths have been registered and classified and in many instances boys and girls between the ages of 18 and 24 have been placed in their first regular jobs.

Junior divisions were established at Missoula and Butte during the months of October and November, respectively.

Clearance

A system of clearance procedure has been maintained which has proved very helpful to employers in various parts of the state where shortages of skilled or technical help occurred. It also has proved helpful in meeting seasonal demands of agriculture. In several cities during the past year, shortages of highly skilled craftsmen existed. Where openings existed in other states for technical men and women the division has been able to recruit qualified men in Montana and direct them to such jobs.

As a result of this clearance procedure, the entire labor resources of Montana are made available to the employer in any section of the state and likewise, job opportunities of an unusual nature in any section of the state are made available to the entire active file of the State Service.

Field Visits

In addition to a regular program of field visits to employers, the various employees in the service have been trained to perform some of the more simple functions of the field auditors of the UC division. As a result of these field visits many employers have been assisted and because of the co-operation between UC field auditors with local employment service employees contacts have been made with many employers not previously reached by the regular field visiting program. The joint operations conducted by the local offices have tended to widen the field of usefulness of the division.

Active File

The active file consists of registrants at the employment offices who are actively seeking and are available for work.

A registrant to remain in the active file is required to report in person or by mail to the office periodically. In general, the active file is a measure of unemployment in a given community.

On January 1, 1939, the active file covering all counties in Montana was 33,180; at the end of December, 1939, it had decreased to 28,620, an indication of improved labor conditions.

Placements

The total number of jobs obtained during the year of 1939 was 21,266, of which 11,506 were on public works and 9,760 in private industry, including 3,640 farm placements. Of the total placements made during the period July through December 1,126 had been receiving weekly unemployment compensation benefits, and on receiving employment through the efforts of the state service their benefit payments were stopped.

Public Works

Curtailment of Public Works projects to a total of about \$3,000,000.00 has noticeably affected public employment. This year has marked the completion of our larger public projects including Fort Peck, which in previous years employed from 3,000 to 5,000 men. Employment service offices supply labor for all public work projects.

Operations Fund

Under the Wagner-Peyser Act it is provided that funds for carrying out the purposes of this Act shall be apportioned among the states in proportion to their populations, provided that an equal sum is appropriated by the state. Montana's proportionate share of these funds is \$13,021.26 annually, which amount the legislature matched by appropriation. These sums are augmented by grants from the Social Security Board and local contributions.

Operating budgets are prepared on a line-item basis and submitted to the Social Security Board. The operations fund for the past year amounted to \$172,339.28.

SUMMARY OF ACTIVITIES OF EMPLOYMENT SERVICE DIVISION

During the year 1939, the total placements in 23 state offices, 8 affiliated county offices and 12 contract offices was 21,266, of which 45.9 per cent were private placements, 54.1 per cent public placements; 3,640 placements or 17.2 per cent were on farms; 1,126 claimants for compensation were placed, or 5.3 per cent thereby reducing the amount of benefits to be paid. There were 3,589 supplementary placements. The number of field visits to employers was 16,504; 17,252 new registrations were made. The active file at the end of 1939 was 28,620. This showed considerably more employment than at the end of 1938 when the number in the active file was 33,262, a decrease of about 5,000.

The state offices accounted for 76.4 per cent of the total placements; the county offices 15.1 per cent and the contract offices 8.5 per cent.

Monthly Trends in Placements

The monthly number of placements finding a worker a more or less permanent job increased from a low of 750 in February to a high of 2,680 in April. The large increase in the number of placements from March to August was largely the result of public placements. Private placements increased from a low of 367 in February to a high of 1,201 in October. Farm placements reached a maximum of 655 in October.

With the payment of unemployment compensation the Employment Service is brought into closer contact with employers

who are increasingly making use of the facilities offered by the service.

From the standpoint of those registered with the Employment Service for whom jobs have been obtained, it is most probable that such jobs would not have been known to the applicant without the assistance of the Employment Service.

**Number of Placements (Public, Private, Farm)
by Months, January-December, 1939**

January	37	477	514	991
February	40	367	383	750
March	168	804	1,014	1,818
April	429	971	1,709	2,680
May	356	858	1,487	2,345
June	332	795	1,269	2,064
July	557	941	1,292	2,233
August	422	1,003	1,340	2,343
September	362	1,021	809	1,830
October	655	1,201	827	2,028
November	183	733	419	1,152
December	99	589	443	1,032
Total	3,640	9,760	11,506	21,266

EMPLOYMENT SERVICE DIVISION SUMMARY OF ACTIVITIES FOR YEAR 1939

PLACEMENTS									
Office	Total	Private	Public	(a) Farm	(a) Claimant	(b) Supplemental	Field Visits	New Regis- trations	Active File End of Year
Total for the State	21266	9760 (45.9%)	11506 (54.1%)	3640 (17.2%)	1126 (5.3%)	3539	16504	17252	28620
State Offices									
Anaconda	370	65	305	9	14	0	659	363	808
Billings	1959	643	1316	140	171	103	1183	1826	2333
Bozeman	454	265	189	56	48	252	500	693	566
Butte	1552	523	1029	10	115	2	850	2920	6985
Glasgow	932	359	573	93	26	105	638	532	938
Glendive	416	298	119	93	27	406	138	143	902
Great Falls	2243	695	1548	207	91	332	1439	1659	2400
Hamilton	312	22	290	14	13	12	128	292	315
Hardin	394	211	183	126	38	91	116	254	219
Havre	1056	730	326	343	24	169	336	400	584
Helena	784	259	525	52	36	139	203	930	1106
Kalispell	476	296	183	69	46	25	55	819	1264
Lewistown	810	436	374	170	37	78	562	335	1996
Libby	172	23	149	5	10	3	74	122	326
Livingston	358	90	268	27	30	133	241	256	329
Malta	609	398	211	248	29	95	237	237	202
Miles City	919	438	481	111	52	75	870	408	1098
Missoula	1197	656	541	113	25	70	404	1369	1372
Polson	114	58	56	6	0	45	134	347	695
Red Lodge	128	5	123	4	5	9	6	187	875
Roundup	199	84	115	55	8	15	424	262	262
Shelby	522	482	40	186	28	130	1284	275	285
Sidney	265	137	128	72	17	48	201	248	686
Total 23 state offices	16244	7173 73.5%	9071 78.8%	2209 60.7%	890 79%	2387 66.6%	10732 65%	14818 85.9%	26496 92.6%

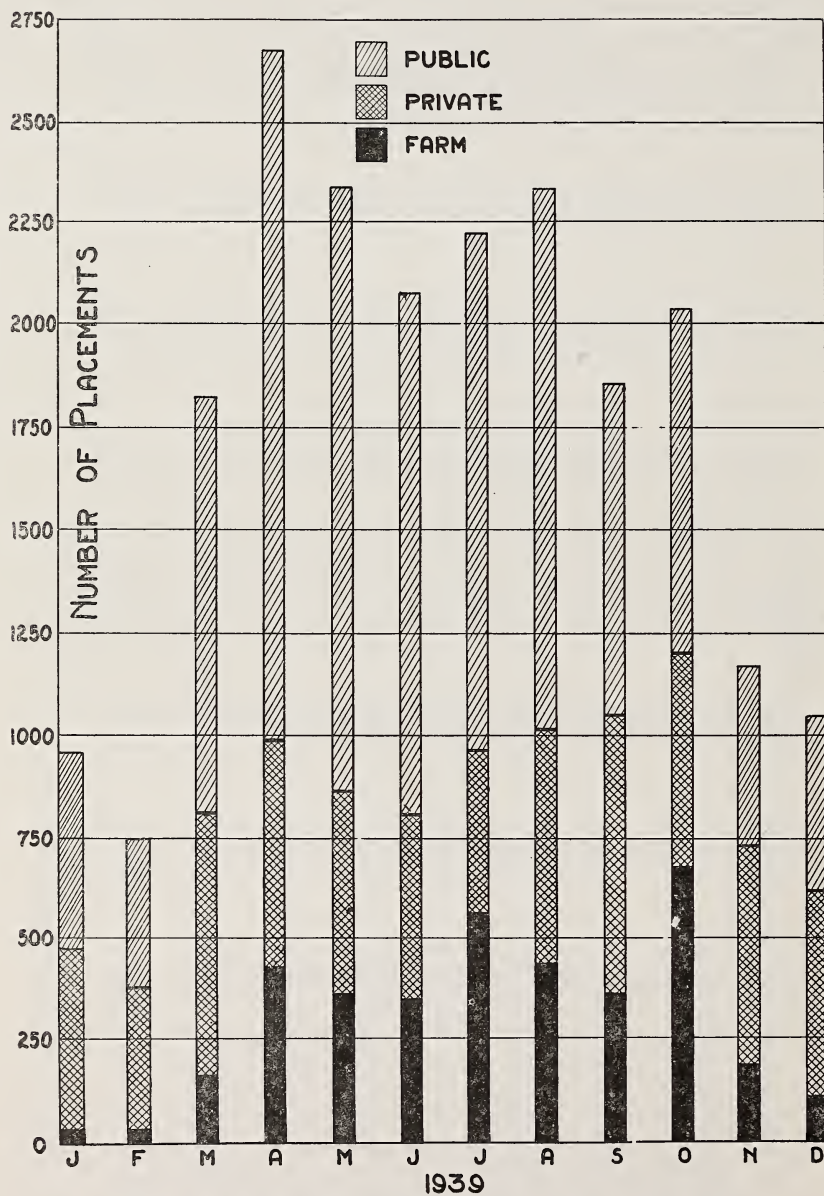
PLACEMENTS								
Office	Total	Private	Public	(a) Farm	(a) Claimant	(b) Supplemental	Field Visits	New Regis- Active File trations End of Year
Affiliated County Offices								
Big Timber	204	160	44	121	7	44	336	79
Chinook	569	328	241	233	57	178	281	261
Conrad	594	525	69	386	36	66	561	237
Cut Bank	830	430	400	52	32	172	1207	476
Deer Lodge	139	100	39	66	21	56	202	100
Forsyth	563	414	149	220	32	216	470	99
Terry	150	52	98	35	1	16	80	39
Thompson Falls	169	45	124	4	16	117	113	223
Total 8 Affiliated County Offices	3218 15.1%	2054 21%	1164 10.1%	1117 30.7%	202 18%	865 24%	3250 19.7%	1514 8.8%
Contact Offices								
Baker	274	110	164	62	4	40	141	58
Choteau	483	157	326	89	3	228	1014	117
Circle	250	87	163	58	5	0	75	41
Dillon	185	12	173	8	5	10	406	246
Ekalaka	44	36	8	20	0	0	222	33
Jordan	37	7	30	7	0	0	0	23
Ryegate	38	9	29	7	0	0	3	17
Scobey	12	2	10	2	0	0	281	53
Stanford	64	40	24	23	0	9	80	27
White Sulphur Springs	230	21	209	14	8	27	35	87
Wolf Point	179	50	129	23	7	13	263	203
Wibaux	8	2	6	1	0	10	2	15
Total 12 Contact Offices	1804 8.5%	533 5.5%	1271 11.1%	314 8.6%	34 3%	337 9.4%	2522 15.3%	920 5.3%

(a) Included in total private placements.

(b) Not included in total placements.

(c) Included in State Office totals

MONTHLY TRENDS IN 1939 PLACEMENTS



NAEGELE PRINTING CO., HELENA, MONT



